

EXHIBIT 5

From: Prado, Waldyr <waldyr.pradoneto@wscf.exch.wachovia.com>
Sent: Monday, May 17, 2010 9:08 PM
To: igor cornelsen <igor.cornelsen@ REDACTED>
Subject: RE:

Igor, Se voce estiver por ai me ligue aqui no hotel de Curitiba no 41-3017-1040 no quarto 1303.
 Tenho uma info que nao vou usar meu cel pra falar.
 Imperdivel.

-----Original Message-----

From: igor cornelsen [mailto:igor.cornelsen@ REDACTED]
Sent: Monday, May 17, 2010 10:54 AM
To: Felix.Haegeler@ubs.com; Prado, Waldyr
Subject:

Kazakhstan

Ivailo Vesselinov

+44 20 7883 8057

ivailo.vesselinov@credit-suisse.com

GDP growth reached 7.1% yoy in Q1 2010. According to a flash estimate from the Statistical Office, GDP growth reached 7.1% yoy in Q1 2010, compared to our forecast of 5.5% yoy and consensus projections of around 4.0% yoy. The Statistical Office failed to provide details behind the headline figure, but high-frequency data suggest to us that overall growth continued to be driven by exports in Q1. Indeed, with oil production up 9% yoy (to 22.2mn tonnes) for the first four months of the year, GDP growth reached an even higher 7.6% yoy between January and April, according to the latest statements from Finance Minister Zhamishev. We maintain our view that the risks to the government's original GDP growth forecast for this year of 1.5-2.0% - as well as to our own more optimistic projection of 2.9% - will remain skewed to the upside.

The government plans to tap the international capital markets in H2 2010. Zhamishev also announced on Friday (14 May) that the government planned to issue what are likely to be dollar-denominated bonds amounting to \$500mn-\$750mn "in the autumn" of this year. According to the finance minister, the primary purpose behind the issue remains the government's desire to provide a benchmark for domestic corporates and banks wishing to borrow abroad. This is in line with previous statements from the domestic authorities and also with our projection that the sovereign will issue up to \$1bn this year, tapping the international capital markets for the first time in a decade and providing in the process an underlying deliverable bond for the outstanding CDS.

We expect that the domestic authorities will allow further tenge appreciation before issuing external debt. Given our constructive forecast for the economy, and abstracting from the risk of renewed turmoil on the financial markets, we expect that the Kazakh issue will be met with robust investor demand. Taking into consideration the recent crisis in the banking sector, however, we believe that the domestic authorities will be keen to avoid encouraging excessive foreign borrowing by domestic private-sector entities. One indirect way to minimize this risk would be to allow further tenge appreciation and limit the scope for sizeable currency gains in the medium term, in our view. Our central scenario does not envisage an outright revaluation at this stage, but we expect that the central bank will continue to allow controlled nominal appreciation, especially if oil prices stay at their current elevated levels (our projection for average Urals crude prices is still \$80/bbl). Against this background, we maintain our forecasts for USDKZT at 140.00 and 130.00 for end-2010 and end-2011, respectively.



From: Prado, Waldyr <waldyr.pradoneto@wscf.exch.wachovia.com>
 Sent: Monday, May 17, 2010 9:08 PM
 To: igor cornelsen <igor.cornelsen@f > REDACTED
 Subject: RE:

Igor, if you are around call me at the Curitiba hotel, at 41-3017-1040, room 1303.
 I have some info that I cannot say over the phone.
 You have to hear this.

-----Original Message-----

From: igor cornelsen [mailto:igor.cornelsen@f
 Sent: Monday, May 17, 2010 10:54 AM
 To: Felix.Haegeler@ubs.com; Prado, Waldyr
 Subject:

REDACTED

Kazakhstan
 Ivailo Vesselinov
 +44 20 7883 8057
 ivailo.vesselinov@credit-suisse.com

GDP growth reached 7.1% yoy in Q1 2010. According to a flash estimate from the Statistical Office, GDP growth reached 7.1% yoy in Q1 2010, compared to our forecast of 5.5% yoy and consensus projections of around 4.0% yoy. The Statistical Office failed to provide details behind the headline figure, but high-frequency data suggest to us that overall growth continued to be driven by exports in Q1. Indeed, with oil production up 9% yoy (to 22.2mn tonnes) for the first four months of the year, GDP growth reached an even higher 7.6% yoy between January and April, according to the latest statements from Finance Minister Zhamishev. We maintain our view that the risks to the government's original GDP growth forecast for this year of 1.5-2.0% - as well as to our own more optimistic projection of 2.9% - will remain skewed to the upside.

The government plans to tap the international capital markets in H2 2010. Zhamishev also announced on Friday (14 May) that the government planned to issue what are likely to be dollar-denominated bonds amounting to \$500mn-\$750mn "in the autumn" of this year. According to the finance minister, the primary purpose behind the issue remains the government's desire to provide a benchmark for domestic corporates and banks wishing to borrow abroad. This is in line with previous statements from the domestic authorities and also with our projection that the sovereign will issue up to \$1bn this year, tapping the international capital markets for the first time in a decade and providing in the process an underlying deliverable bond for the outstanding CDS.

We expect that the domestic authorities will allow further tenge appreciation before issuing external debt. Given our constructive forecast for the economy, and abstracting from the risk of renewed turmoil on the financial markets, we expect that the Kazakh issue will be met with robust investor demand. Taking into consideration the recent crisis in the banking sector, however, we believe that the domestic authorities will be keen to avoid encouraging excessive foreign borrowing by domestic private-sector entities. One indirect way to minimize this risk would be to allow further tenge appreciation and limit the scope for sizeable currency gains in the medium term, in our view. Our central scenario does not envisage an outright revaluation at this stage, but we expect that the central bank will continue to allow controlled nominal appreciation, especially if oil prices stay at their current elevated levels (our projection for average Urals crude prices is still \$80/bbl). Against this background, we maintain our forecasts for USD/KZT at 140.00 and 130.00 for end-2010 and end-2011, respectively.



SEC-Wells Fargo-Prado-009159